

**Bienville Parish School Board  
Arcadia, Louisiana**

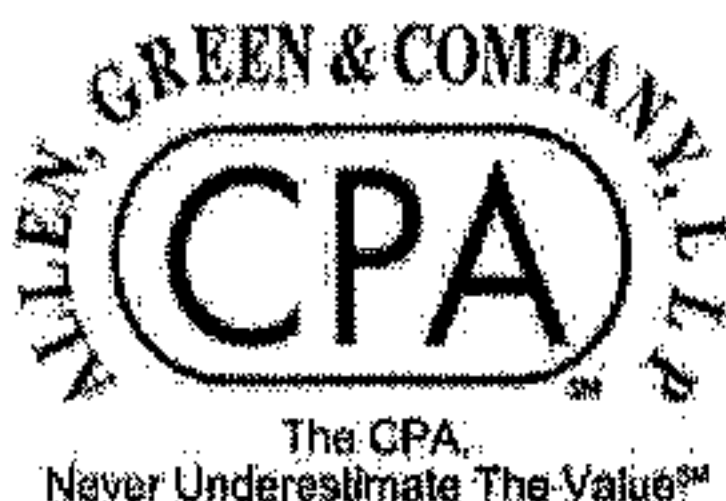
**Annual Financial Report  
As of and for the Year Ended June 30, 2001**



**Bienville Parish School Board  
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## Independent Auditors' Report

Board Members  
Bienville Parish School Board  
Arcadia, Louisiana

We have audited the accompanying general-purpose financial statements of Bienville Parish School Board as of and for the year ended June 30, 2001, as listed in the table of contents. These general-purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the School Board, as of June 30, 2001, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 7, 2001, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The accompanying supplemental information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by OMB Circular No. A-133, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Also, the accompanying other information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, accordingly, we express no opinion on it.

*Allen, Green & Company, LLP*

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana  
December 7, 2001

**BIENVILLE PARISH SCHOOL BOARD**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**Combined Balance Sheet**  
**June 30, 2001**

*****GOVERNMENTAL FUNDS*****				
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
<b>ASSETS AND OTHER DEBITS</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 615,537	\$ 1,848,839	\$ 46,977	\$ 12,453
Investments	3,519,894	1,777,965	1,044,698	566,719
Receivables	340,317	328,139	0	0
Interfund receivables	335,306	82,790	0	0
Inventory	0	20,659	0	0
Other assets	173,588	0	0	0
Land, buildings and equipment	0	0	0	0
<b>Other debits</b>				
Amount available in debt service funds	0	0	0	0
Amount to be provided for payment of debt	0	0	0	0
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>4,984,642</b>	<b>4,058,392</b>	<b>1,091,675</b>	<b>579,172</b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	2,268,877	405,098	0	10,148
Incurred but not reported claims	58,638	0	0	0
Interfund payables	68,060	338,514	11,325	197
Deposits due others	0	0	0	0
Deferred revenue	0	32,988	0	0
Bonds payable	0	0	0	0
Compensated absences payable	0	0	0	0
<b>Total Liabilities</b>	<b>2,395,575</b>	<b>776,600</b>	<b>11,325</b>	<b>10,345</b>
<b>Equity and other credits:</b>				
Investment in general fixed assets	0	0	0	0
<b>Fund Balances:</b>				
Reserved for inventory	0	144	0	0
Reserved for debt service	0	0	1,080,350	0
Unreserved and undesignated fund balance	2,589,067	3,281,648	0	568,827
<b>Total Equity and Other Credits</b>	<b>2,589,067</b>	<b>3,281,792</b>	<b>1,080,350</b>	<b>568,827</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<b>\$ 4,984,642</b>	<b>\$ 4,058,392</b>	<b>\$ 1,091,675</b>	<b>\$ 579,172</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement A

\*\*\*\*\*ACCOUNT GROUPS\*\*\*\*\*

FIDUCIARY- AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)
\$ 200,373	\$ 0	\$ 0	\$ 2,724,179
0	0	0	6,909,276
0	0	0	668,456
0	0	0	418,096
0	0	0	20,659
0	0	0	173,588
0	31,328,608	0	31,328,608
0	0	1,080,350	1,080,350
0	0	5,489,218	5,489,218
<u>200,373</u>	<u>31,328,608</u>	<u>6,569,568</u>	<u>48,812,430</u>
0	0	0	2,684,123
0	0	0	58,638
0	0	0	418,096
200,373	0	0	200,373
0	0	0	32,988
0	0	5,595,000	5,595,000
0	0	974,568	974,568
<u>200,373</u>	<u>0</u>	<u>6,569,568</u>	<u>9,963,786</u>
0	31,328,608	0	31,328,608
0	0	0	144
0	0	0	1,080,350
0	0	0	6,439,542
<u>0</u>	<u>31,328,608</u>	<u>0</u>	<u>38,848,644</u>
<u>\$ 200,373</u>	<u>\$ 31,328,608</u>	<u>\$ 6,569,568</u>	<u>\$ 48,812,430</u>



**BIENVILLE PARISH SCHOOL BOARD**

**ALL GOVERNMENTAL FUNDS  
Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2001**

**Statement B**

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
<b>REVENUES</b>					
Local sources:					
Taxes:					
Ad valorem	\$ 1,532,203	\$ 2,127,102	\$ 1,037,422	\$ 0	\$ 4,696,727
Sales and use	1,654,664	1,654,486	0	0	3,309,150
Interest earnings	288,960	197,997	71,007	37,090	595,054
Food services	0	141,902	0	0	141,902
Other	78,953	530,070	0	0	609,023
State sources:					
Equalization	7,423,805	271,130	0	0	7,694,935
Other	866,305	168,683	0	0	1,034,988
Federal sources	0	2,017,033	0	0	2,017,033
<b>Total revenues</b>	<u>11,844,890</u>	<u>7,108,403</u>	<u>1,108,429</u>	<u>37,090</u>	<u>20,098,812</u>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular programs	6,517,589	1,204,220	0	0	7,721,809
Special programs	1,428,274	467,812	0	0	1,896,086
Other instructional programs	230,700	783,322	0	0	1,014,022
Support services:					
Student services	260,453	60,111	0	0	320,564
Instructional staff support	460,213	109,768	0	0	569,981
General administration	456,426	314,892	33,697	0	805,015
School administration	848,555	161,659	0	0	1,010,214
Business services	181,478	14,987	0	0	196,465
Plant services	360,417	2,175,494	0	0	2,535,911
Student transportation services	1,100,751	264,727	0	0	1,365,478
Central services	480	325,774	0	0	326,254
Food services	90,353	1,344,844	0	0	1,435,197
Facilities acquisition and construction	0	0	0	38,240	38,240
Debt service:					
Principal retirement	0	0	770,000	0	770,000
Interest and bank charges	0	0	357,468	0	357,468
<b>Total expenditures</b>	<u>11,935,689</u>	<u>7,227,610</u>	<u>1,161,165</u>	<u>38,240</u>	<u>20,362,704</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (90,799)</u>	<u>\$ (119,207)</u>	<u>\$ (52,736)</u>	<u>\$ (1,150)</u>	<u>\$ (263,892)</u>

(CONTINUED)



**BIENVILLE PARISH SCHOOL BOARD**

**ALL GOVERNMENTAL FUNDS  
Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2001**

**Statement B**

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	\$ 2,227	\$ 0	\$ 0	\$ 0	\$ 2,227
Operating transfers out	0	(2,227)	0	0	(2,227)
Sale of fixed assets	<u>945</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>945</u>
 TOTAL OTHER FINANCING SOURCES (USES)	 <u>3,172</u>	 <u>(2,227)</u>	 <u>0</u>	 <u>0</u>	 <u>945</u>
 EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	  (87,627)	  (121,434)	  (52,736)	  (1,150)	  (262,947)
 FUND BALANCES AT BEGINNING OF YEAR	 <u>2,676,694</u>	 <u>3,403,226</u>	 <u>1,133,086</u>	 <u>569,977</u>	 <u>7,782,983</u>
 FUND BALANCES AT END OF YEAR	 <u>\$ 2,589,067</u>	 <u>\$ 3,281,792</u>	 <u>\$ 1,080,350</u>	 <u>\$ 568,827</u>	 <u>\$ 7,520,036</u>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**BIENVILLE PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Combined Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2001**

**Statement C**

\*\*\*\*\*GENERAL FUND\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 1,540,057	\$ 1,532,203	\$ (7,854)
Sales and use	1,569,496	1,654,664	85,168
Interest earnings	255,303	288,960	33,657
Other	81,070	78,953	(2,117)
State sources:			
Equalization	7,544,308	7,423,805	(120,503)
Other	748,520	866,305	117,785
<b>Total revenues</b>	<u>11,738,754</u>	<u>11,844,890</u>	<u>106,136</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	6,448,795	6,517,589	(68,794)
Special programs	1,408,301	1,428,274	(19,973)
Other instructional programs	213,090	230,700	(17,610)
Support services:			
Student services	312,718	260,453	52,265
Instructional staff support	439,705	460,213	(20,508)
General administration	539,987	456,426	83,561
School administration	833,587	848,555	(14,968)
Business services	186,502	181,478	5,024
Plant services	358,722	360,417	(1,695)
Student transportation services	1,100,955	1,100,751	204
Central services	21,200	480	20,720
Food services	66,947	90,353	(23,406)
Community service programs	3,625	0	3,625
<b>Total expenditures</b>	<u>11,934,134</u>	<u>11,935,689</u>	<u>(1,555)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (195,380)</u>	<u>\$ (90,799)</u>	<u>\$ 104,581</u>

(CONTINUED)

**BIENVILLE PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS**

**Combined Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2001**

**Statement C**

\*\*\*\*\*GENERAL FUND\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 0	\$ 2,227	\$ 2,227
Other sources	<u>1,000</u>	<u>945</u>	<u>(55)</u>
Total other financing sources (uses)	<u>1,000</u>	<u>3,172</u>	<u>2,172</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(194,380)	(87,627)	106,753
FUND BALANCES AT BEGINNING OF YEAR	<u>2,856,000</u>	<u>2,676,694</u>	<u>(179,306)</u>
FUND BALANCES AT END OF YEAR	<u>\$ 2,661,620</u>	<u>\$ 2,589,067</u>	<u>\$ (72,553)</u>

(CONTINUED)

**BIENVILLE PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Combined Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2001**

**Statement C**

\*\*\*\*\***SPECIAL REVENUE FUNDS**\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 2,105,000	\$ 2,127,102	\$ 22,102
Sales and use	1,500,000	1,654,486	154,486
Interest earnings	167,603	197,997	30,394
Food services	144,350	141,902	(2,448)
Other	683,047	530,070	(152,977)
State sources:			
Equalization	271,130	271,130	0
Other	183,401	168,683	(14,718)
Federal sources	<u>2,315,945</u>	<u>2,017,033</u>	<u>(298,912)</u>
 Total revenues	 <u>7,370,476</u>	 <u>7,108,403</u>	 <u>(262,073)</u>
 <b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	1,068,936	1,204,220	(135,284)
Special programs	472,200	467,812	4,388
Other instructional programs	1,067,418	783,322	284,096
Support services:			
Student services	50,821	60,111	(9,290)
Instructional staff support	47,454	109,768	(62,314)
General administration	389,547	314,892	74,655
School administration	145,438	161,659	(16,221)
Business services	9,346	14,987	(5,641)
Plant services	2,323,079	2,175,494	147,585
Student transportation services	265,583	264,727	856
Central services	309,562	325,774	(16,212)
Food services	1,197,212	1,344,844	(147,632)
Community service programs	<u>30,000</u>	<u>0</u>	<u>30,000</u>
 Total expenditures	 <u>7,376,596</u>	 <u>7,227,610</u>	 <u>148,986</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ (6,120)</u>	 <u>\$ (119,207)</u>	 <u>\$ (113,087)</u>

(CONTINUED)

**BIENVILLE PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Combined Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2001**

**Statement C**

*****SPECIAL REVENUE FUNDS*****			
			VARIANCE
	BUDGET	ACTUAL	FAVORABLE
			(UNFAVORABLE)
OTHER FINANCING SOURCES (USES)			
Operating transfers out	\$ 0	\$ (2,227)	\$ (2,227)
Total other financing sources (uses)	0	(2,227)	(2,227)
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(6,120)	(121,434)	(115,314)
FUND BALANCES AT BEGINNING OF YEAR	3,403,226	3,403,226	0
FUND BALANCES AT END OF YEAR	\$ 3,397,106	\$ 3,281,792	\$ (115,314)

(CONTINUED)

**BIENVILLE PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS**

**Combined Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2001**

**Statement C**

\*\*\*\*\*CAPITAL PROJECTS FUNDS\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Local sources:			
Interest earnings	\$ 902	\$ 37,090	\$ 36,188
 Total revenues	<u>902</u>	<u>37,090</u>	<u>36,188</u>
 <b>EXPENDITURES</b>			
Support services:			
Plant services	21,002	0	21,002
Facilities acquisition and construction	<u>0</u>	<u>38,240</u>	<u>(38,240)</u>
 Total expenditures	<u>21,002</u>	<u>38,240</u>	<u>(17,238)</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(20,100)	(1,150)	18,950
 FUND BALANCES AT BEGINNING OF YEAR	<u>569,977</u>	<u>569,977</u>	<u>0</u>
 FUND BALANCES AT END OF YEAR	<u>\$ 549,877</u>	<u>\$ 568,827</u>	<u>\$ 18,950</u>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.



**Bienville Parish School Board**  
**Notes to the General-Purpose Financial Statements**

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**Bienville Parish School Board**  
**Notes to the General-Purpose Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Bienville Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** The Bienville Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Bienville Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of seven members who are elected from seven districts for terms of four years.

The School Board operates eight schools within the parish with a total enrollment of approximately 2,772 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB Statement 14 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

**B. FUNDS AND ACCOUNT GROUPS** The accounts of the School Board are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

Funds of the School Board are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund and account group classifications and a description of each existing fund type follow:

**Governmental Funds** Governmental funds account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

**General fund** - the primary operating fund of the School Board. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

**Special revenue funds** - account for the revenues sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

**Debt service funds** - account for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

**Capital project funds** - account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

**Fiduciary Funds** Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.



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*Agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. These funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

**School activities agency fund** - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

**Sales tax collection agency fund** - accounts for monies collected on behalf of other taxing authorities within the parish.

**Account Groups** The *general fixed assets account group* is used to account for fixed assets not accounted for in proprietary or trust funds.

The *general long-term debt account group* is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

### **C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**Governmental Funds** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

#### **Revenues**

**Ad valorem taxes and sales taxes** are susceptible to accrual.

**Entitlements and shared revenues** (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

**Other receipts** become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

#### **Expenditures**

**Salaries** are recorded as paid. Salaries for nine-month employees who elect to be paid over twelve months are accrued at June 30.

**Principal and interest** on general long-term debt is recognized when due.

**Inventory** items are expensed as purchased except for inventory of the school lunch fund which is expensed as consumed.

**Compensated absences** are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death. The cost of compensated absences not requiring current resources is recorded in the general long-term obligations account group.

**Bienville Parish School Board**  
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**Other financing sources (uses)** Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**Deferred Revenues** The School Board reports deferred revenues on its combined balance sheet. Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**Fiduciary Funds** The agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting.

#### **D. BUDGETS**

**General Budget Practices** The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds.

Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds' budgets. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

*Appropriations (unexpended budget balances) lapse at year end.*

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered insignificant by the Board. All budget revisions are approved by the Board.

**Encumbrances** Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

**Budget Basis of Accounting** All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level for the general fund and at the fund level for special revenue funds. Management can transfer amounts between line items within a function.

**E. CASH AND CASH EQUIVALENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**F. INVESTMENTS** Investments are limited by R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.



**Bienville Parish School Board**  
**Notes to the General-Purpose Financial Statements**

Investments are stated at cost except for investments in the external investment pool, which are reported at fair value.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The School Board reported at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

**Definitions:**

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

The School Board participates in the Louisiana Asset Management Pool, Inc. (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

The investment objective of the LAMP is the preservation of capital and the maintenance of liquidity and, to the extent consistent with such objective, current yield.

The LAMP was established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Board of Directors of LAMP provides certain management and administrative services to LAMP and, through a competitive bidding process, selects a custodial bank and an investment advisor. The custodial bank holds the assets of LAMP and the investment decisions are made by the investment advisor. Both the custodial bank and the investment advisor are subject to the review and oversight of LAMP.

An audit of LAMP is conducted annually by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

The LAMP may invest in U. S. Government Securities. The LAMP is designed to comply with restriction on investment by municipalities, parishes, and other types of political subdivisions imposed under Louisiana Revised Statute 33:2955.

The LAMP seeks to maintain a stable net asset value of \$1.00 per unit, but there can be no assurance that the LAMP will be able to achieve this objective. The LAMP's portfolio securities are valued at fair value. The LAMP operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, as amended, which governs money market mutual funds (although the LAMP is not a money market fund and has no obligation to conform to this rule). In addition, the LAMP will generally comply with other aspects of that rule, including the requirements that all portfolio securities acquired by the LAMP must have, at the time of purchase, a maximum remaining maturity of 397 days and meet certain additional quality standards and that the LAMP maintain a dollar-weighted average portfolio maturity of not more than 90 days.

The fair value of the position in the pool is the same as the value of the pool shares.

**G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES** During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

**Bienville Parish School Board**  
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**H. INVENTORIES** Inventories of the governmental fund-type are recorded as expenditures as purchased except for inventory of the School Food Service Fund.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received (issued); however, all inventory items are recorded as expenditures when consumed. Unused commodities at June 30, are reported as deferred revenue. All purchased inventory items are valued at cost (first-in, first-out). Commodities are assigned values based on information provided by the United States Department of Agriculture.

**I. FIXED ASSETS** Fixed assets used in governmental fund types of the School Board are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest during construction is not capitalized on general fixed assets.

Approximately 90% of fixed assets are valued at actual costs, while the remaining 10% are valued at estimated cost based on the actual cost of like items.

Public domain (infrastructure) general fixed assets (e.g. roads, bridges, sidewalks and other assets that are immovable and of value only to the government) are not capitalized.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the general fixed assets account group.

**J. DEFERRED REVENUES** The School Board reports deferred revenues on its combined balance sheet. Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**K. COMPENSATED ABSENCES** The School Board has the following policy relating to sick and vacation leave:

All 12-month employees earn from 10 to 18 days of sick leave each year that can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

The 12-month employees earn 12 to 18 days of vacation leave each year. Vacation leave can be accumulated without limitation. Upon separation of employment, employees are paid for vacation time, not to exceed 25 days.

The School Board's recognition and measurement criteria for compensated absences follows:

GASB Statement 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave.



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GASB Statement 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' right to receive compensation are attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

Only the current portion of the liability for compensated absences is reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The remainder of the liability is reported in the general long-term obligations account group.

**L. LONG-TERM OBLIGATIONS** The School Board reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the general long-term debt account group.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**M. FUND EQUITY** Reserves of fund balance represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designations of fund balances represent tentative management plans that are subject to change.

**N. INTERFUND TRANSACTIONS** Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**O. SALES TAXES** The School Board is authorized to collect a one cent sales tax within Bienville Parish. The tax has no expiration date. The proceeds from the tax are used for salaries and retirement benefits for school teachers and other school employees and/or for maintaining and operating school buildings, facilities, and equipment, and is recorded in the general fund. The costs of collecting and administering the tax are paid from the sales tax fund.

On August 2, 1994, the voters of Bienville Parish approved the assessment of a one per cent parish-wide sales tax, which is recorded as revenue in the special sales tax fund, a special revenue fund. The net revenues from the tax are used to pay for the maintenance and operation of the parish schools and for capital improvements to the parish schools. The tax is collected by the School Board and has no expiration date.

**P. MEMORANDUM ONLY - TOTAL COLUMNS** The total columns on the general-purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of its operations in accordance with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**Q. USE OF ESTIMATES** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported

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amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Excess of Expenditures Over Appropriations in Individual Funds** The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2001:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General fund	\$11,934,134	\$11,935,689	\$ 1,555
Special revenue funds			
Title VI	142,291	154,745	12,454
Child Search	-	4,248	4,248
Consolidated sales tax expense	89,984	96,092	6,108
Employee benefits	1,935,086	2,036,896	101,810
School food service	1,197,212	1,344,844	147,632
Castor tornado damage	800,000	800,509	509

Actual expenditures exceeded appropriations as a result of unanticipated expenditures occurring in the month of June after the last budget revision.

**B. Deficit Fund Balance** The following funds had a deficit fund balance at June 30, 2001:

<u>Fund</u>	<u>Deficit Amount</u>
Consolidated Sales Expense	\$ 1,365
Castor Tornado Damage	165,888
Consolidated School District #1 Sales Tax	7,462

These deficits are expected to be eliminated by transfers from the general fund.

**NOTE 3 - LEVIED TAXES** The School Board levies taxes on real and business personal property located within Bienville Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Bienville Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Bienville Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Assessment date	January 1, 2000
Levy date	October 15, 2000
Tax bills mailed	November 15, 2000
Due date	December 31, 2000
Lien date	February 1, 2001

Assessed values are established by the Bienville Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value:

10% land	15% industrial improvements
15% machinery	15% commercial improvements
10% residential improvements	25% public service properties, excluding land



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A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2000. Total assessed value was \$138,782,930 in calendar year 2000. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$11,692,900 of the assessed value in calendar year 2000.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general, special revenue funds and debt service funds on the basis explained in note 1. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year. The collection of the 2001 property taxes occurs in December, and January and February of the next year. As a result, no property taxes receivable for 2001 taxes is included on the accompanying balance sheet because it is not available within 60 days of the School Board's year-end.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Parish-wide taxes:		
Constitutional	6.19	6.18
Operational	7.81	7.8
Repair and upkeep	7.81	7.8
Employee benefit	9.00	11.41
District sinking fund taxes:		
School District #2	variable	16
School District #4 & 5	variable	7.5
School District #16	variable	5
School District #16-37	variable	42
School District #28	variable	4
School District #33	variable	59

**NOTE 4 - DEPOSITS AND INVESTMENTS** At June 30, 2001, the School Board has cash and cash equivalents (book balance) totaling \$2,724,179.

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

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At year-end, the School Board's carrying amount of deposits was \$5,524,179 (which includes \$2,800,000 of time deposits) and the bank balance was \$5,781,564. Of the bank balance, \$300,000 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The remaining balance, \$4,363,450 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3). The remaining balance of \$1,118,114 was not secured by the pledge of securities and is a violation of state law.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the School Board or its agent in the School Board's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the School Board's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the School Board's name.

At year end, the School Board investment balances were as follows:

<u>Type of investment</u>	<u>Carrying Amount</u>			<u>Total Carrying Amount</u>
	<u>Fair Value</u>	<u>Amortized Cost</u>	<u>Cost</u>	
Investments not subject to categorization:				
External investment pool (LAMP)	<u>\$4,109,276</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$4,109,276</u>
Total investments	<u>\$4,109,276</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$4,109,276</u>

**NOTE 5 - RECEIVABLES** The receivables at June 30, 2001, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Taxes:			
Sales and use	\$180,979	\$180,978	\$361,957
Intergovernmental - grants:			
Federal	1,804	142,461	144,265
State	156,238	4,248	160,486
Other	<u>1,296</u>	<u>452</u>	<u>1,748</u>
Total	<u>\$340,317</u>	<u>\$328,139</u>	<u>\$668,456</u>

**NOTE 6 - FIXED ASSETS** The changes in general fixed assets are as follows:

	<u>Balance July 1, 2000</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2001</u>
Land	\$ 103,189	\$ -	\$ -	\$ 103,189
Buildings	21,105,865	-	-	21,105,865
Furniture and fixtures	7,950,507	348,319	4,692	8,294,134
Transportation equipment	<u>1,783,925</u>	<u>42,500</u>	<u>1,005</u>	<u>1,825,420</u>
	<u>\$30,943,486</u>	<u>\$390,819</u>	<u>\$5,697</u>	<u>\$31,328,608</u>



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**NOTE 7 - RETIREMENT SYSTEMS**

**Plan description** Substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally two percent (with less than twenty-five years of service) or 2.5 percent (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the thirty-six highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after thirty years of service, or after twenty-five years of service at age fifty-five or after ten years of service at age sixty. The maximum retirement allowance is computed at 2.5 percent times the highest thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Both TRS and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana  
Post Office Box 94123  
Baton Rouge, Louisiana 70804-9123  
(225) 925-6446

Louisiana School Employees' Retirement System  
Post Office Box 44516  
Baton Rouge, Louisiana 70804  
(225) 925-6484

**Funding Policy** Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974. The School Board's employer contribution for the TRS, as provided by state law, is funded by deductions from local ad valorem taxes, and by remittances from the School Board. For the LSERS, the School Board's employer contribution is funded by annual appropriations.

The School Board does not remit to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2001, are as follows:

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	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.00%	14.20%
Plan A	9.10%	14.20%
Louisiana School Employees' Retirement System	6.35%	0.00%

Total covered payroll of the School Board for TRS - Regular Plan, TRS - Plan A, and LSERS for the year ended June 30, 2001, amounted to \$8,208,926, \$69,727, and \$1,150,611, respectively. Employer contributions for the year ended June 30, 2001, and each of the two preceding years are as follows:

	..... TRS .....	..... LSERS .....		
	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid
<u>Fiscal Year Ended</u>				
June 30, 1999	\$1,588,581	89.43	\$75,325	96.32
June 30, 2000	1,483,821	86.25	N/A	100.00
June 30, 2001	1,413,483	83.17	N/A	100.00

Annual actuarially required contributions for each plan above is based on the plan's annual financial report for that year except for the year ended June 30, 2001. Each annual actuarially required contribution for the year ended June 30, 2001, is based upon each plan's annual financial report for the year ended June 30, 2000, which is the latest information available.

**NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS** In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees are provided through the State Employees Group Insurance Program. The cost of benefits for retirees are paid jointly by the employee and the School Board. The School Board's portion of the cost is recognized as an expenditure when the monthly premium is paid. The School Board's cost of retiree benefits for 2001 totaled \$940,166 for approximately 284 retirees.

**NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES** The payables at June 30, 2001, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Project</u>	<u>Total</u>
Salaries and benefits	\$2,217,173	\$324,978	\$ -	\$2,542,151
Accounts	51,704	80,120	10,148	141,972
Total	<u>\$2,268,877</u>	<u>\$405,098</u>	<u>\$10,148</u>	<u>\$2,684,123</u>

**NOTE 10 - COMPENSATED ABSENCES** At June 30, 2001, employees of the School Board have accumulated and vested \$974,568 of employee leave benefits, including \$69,256 of salary-related benefits. These employee benefits were computed in accordance with GASB Codification Section C60.

**NOTE 11 - AGENCY FUND DEPOSITS DUE OTHERS** A summary of changes in agency fund deposits due others for the year ended June 30, 2001, follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance Ending</u>
Agency funds:				
School activities agency fund	\$207,328	\$ 551,622	\$ 564,814	\$194,136
Sales tax agency fund	1,479	6,303,351	6,298,593	6,237
Total	<u>\$208,807</u>	<u>\$6,854,973</u>	<u>\$6,863,407</u>	<u>\$200,373</u>



**Bienville Parish School Board**  
**Notes to the General-Purpose Financial Statements**

**NOTE 12 - GENERAL LONG-TERM OBLIGATIONS** The following is a summary of the long-term obligation transactions for the year ended June 30, 2001:

	<u>Bonds Payable</u>	<u>Compensated Absences</u>	<u>Total</u>
Balance, Beginning	\$6,365,000	\$1,167,855	\$7,532,855
Additions	-	-	-
Deductions	<u>770,000</u>	<u>193,287</u>	<u>963,287</u>
Balance, Ending	<u>\$5,595,000</u>	<u>\$ 974,568</u>	<u>\$6,569,568</u>

All School Board bonds outstanding at June 30, 2001, are general obligation bonds. Individual general obligation issues are as follows:

<u>School District</u>	<u>Bond Issue Date</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
#2	March 1, 1997	\$2,500,000	4.50% - 10.00%	Mar. 1, 2012	\$ 677,449	\$2,195,000
#4 and 5	February 1, 1977	3,220,000	5.50% - 6.20%	Feb. 1, 2002	15,500	250,000
#16	August 1, 1980	530,000	7.25% - 8.00%	Feb. 1, 2005	4,000	20,000
#28	August 1, 1990	1,035,000	6.10% - 7.15%	Mar. 1, 2002	9,653	135,000
#33	April 1, 1978	675,000	5.00% - 5.50%	Apr. 1, 2003	8,250	100,000
#33	March 1, 1998	2,525,000	4.00% - 9.00%	Mar. 1, 2013	806,790	2,160,000
#16-37	March 1, 1992	1,343,000	5.50% - 10.00%	Mar. 1, 2007	170,188	735,000
Total					<u>\$1,691,830</u>	<u>\$5,595,000</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At year end, the School Board has accumulated \$1,080,350 in the debt service funds for future debt requirements. The bonds are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2002	\$ 820,000	\$ 304,644	\$1,124,644
2003	460,000	249,211	709,211
2004	440,000	219,701	659,701
2005	460,000	194,974	654,974
2006	485,000	170,502	655,502
2007-2013	<u>2,930,000</u>	<u>552,798</u>	<u>3,482,798</u>
Total	<u>\$5,595,000</u>	<u>\$1,691,830</u>	<u>\$7,286,830</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50 percent of the assessed value of taxable property. At year end, the statutory limit is \$69,391,465 and outstanding net bonded debt totals \$4,514,650.

**Bienville Parish School Board**  
**Notes to the General-Purpose Financial Statements**

**NOTE 13 - INTERFUND ASSETS/LIABILITIES**

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$335,306	\$ 68,060
Special Revenue Fund		
Title I		12,792
Title VI		51,710
Special Education		36,011
Title IV		10,427
Preschool		12,191
Adult and Vocational Education	16,673	21,500
Child Search		5,000
Consolidated Sales Tax Expense		2,839
Special Sales Tax	66,109	167
Repair and Upkeep		10,291
Medicaid	8	
Castor Tornado Damage		175,586
Debt Service		
District #33		11,325
Capital Projects		
School District #2 Building Fund		197
Total	<u>\$418,096</u>	<u>\$418,096</u>

**NOTE 14 - RESERVED FUND BALANCES**

**Reservations:**

**Inventory** This amount represents the portion of fund balance relating to inventory on hand which is therefore unavailable to be expended for other purposes.

**Debt Service** This amount represents the portion of fund balance that has been reserved in the debt service fund for future payment of principal and interest on bonded debt.

**NOTE 15 - RISK MANAGEMENT** The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. A risk management program for workers' compensation insurance was established by the School Board several years ago. Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. As of June 30, 2001, such interfund premiums did not exceed reimbursable expenditures. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

An insurance policy covers individual claims in excess of \$190,000. Maximum retention exposure for aggregate claims amounts to \$1,000,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information and does not include incremental costs. The liability for claims and judgements is reported in the general fund because it is expected to be liquidated with expendable available financial resources. The liability at June 30, 2001, was \$123,088.

**Bienville Parish School Board**  
**Notes to the General-Purpose Financial Statements**

Changes in the claims amount for years ended June 30, 1999, 2000 and 2001 as follows:

<u>Years Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payment and Claims</u>	<u>Ending of Fiscal Year Liability</u>
1999	\$62,461	\$72,390	\$76,213	\$58,638
2000	58,638	90,656	72,227	77,067
2001	77,067	155,837	109,816	123,088

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 16 - LITIGATION AND CLAIMS**

**Litigation** The School Board is a defendant in several lawsuits. Management and legal council for the School Board believe that the potential claims, if not covered by insurance, would not materially affect the School Board's combined financial position.

**Self-Insurance** The School Board is partially self-insured for workers' compensation. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$190,000 per occurrence for each employee. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the financial statements.

**Grant Disallowances** The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. The School Board's management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**Tax Arbitrage Rebate** Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

**NOTE 17 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES** On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$12,498. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.



**Bienville Parish School Board  
Special Revenue Funds**

**TITLE I** This program was designed to improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies.

**TITLE VI** This grant assists state and local educational agencies to improve elementary and secondary education.

Funds may be used for: innovative assistance in the acquisition and use of instructional materials; technology related to the implementation of school bus reforms; promising education reform projects; promoting higher order thinking skills of disadvantaged students; and reform activities associated with Goals 2000.

**SPECIAL EDUCATION**

**STATE GRANTS** These grants to states to assist them in providing a free appropriate public education to all children with disabilities.

**SUMMER SCHOOL PROGRAM** The summer school program fund is a state program that provides a summer school program for exceptional students.

**TITLE IV** This program was designed to establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

**TITLE II** This program was designed to improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

**PRESCHOOL**

**PRESCHOOL GRANTS** The preschool incentive is a federally financed program designed to initiate early intervention techniques on identified preschool students so as to reduce learning problems these students will encounter upon entering school and to provide a continuum of services from the infant program up to the regular kindergarten program.

**STARTING POINTS** The purpose of this program is to increase the availability, affordability, and quality of child care and to increase the availability of early childhood development and before-and after-school programs.

**ADULT AND VOCATIONAL EDUCATION**

**ADULT EDUCATION - STATE-ADMINISTERED BASIC GRANT PROGRAM** This program was designed to improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

**VOCATIONAL EDUCATION - BASIC GRANTS TO STATES** The purpose of these grants are to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

**Bienville Parish School Board  
Special Revenue Funds**

**CHILDSEARCH**

**PART H - INFANT & TODDLER** This program provides early intervention services for infants and toddlers with disabilities and their families.

**CONSOLIDATED SALES TAX EXPENSE** The consolidated sales tax expense fund accounts for fees earned from the collection of sales taxes by the sales tax department on behalf of the six taxing authorities located within Bienville Parish for the operation of the sales tax department.

**SPECIAL SALES TAX** The special sales tax fund accounts for the proceeds of a one percent parish-wide sales and use tax for maintaining and operating the parish schools and for capital improvements.

**EMPLOYEE BENEFITS** The employees benefit fund accounts for a parish-wide ad valorem tax received for the purpose of paying salaries and benefits for employees and retirees of the Bienville Parish School Board.

**REPAIR AND UPKEEP** The repair and upkeep fund accounts for a parish-wide ad valorem tax levy and related state revenue sharing received for the repair and maintenance of the School Board's existing facilities.

**MEDICAID** The Medicaid fund is a federally financed program designed to provide related services to handicapped students.

**SPECIAL OLYMPICS** Special Olympics is a locally funded program for handicapped children.

**SCHOOL FOOD SERVICE** Through cash grants and food donations the school food service fund assists in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

**GIBSLAND YOUTH ENRICHMENT PROGRAM** Gibsland Youth Enrichment Program is a locally funded program for at-risk middle school youth attending Gibsland-Coleman School and provide an intensive summer intervention with supportive activities during the school year.

**CASTOR TORNADO DAMAGE** The Castor Tornado Damage fund accounts for activities dealing with tornado damage to Castor High School caused by a tornado in the summer 1999.

**BIENVILLE PARISH SCHOOL BOARD**

**SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2001**

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>SPECIAL EDUCATION</u>	<u>TITLE IV</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,673	\$ 24,177	\$ 52,032	\$ 7,185
Investments	0	0	0	0
Receivables	38,094	62,103	11,828	5,515
Interfund receivables	0	0	0	0
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<u>41,767</u>	<u>86,280</u>	<u>63,860</u>	<u>12,700</u>
<b>LIABILITIES AND FUND BALANCES (Deficit)</b>				
<b>Liabilities</b>				
Accounts, salaries and other payables	28,975	34,570	27,849	2,273
Interfund payables	12,792	51,710	36,011	10,427
Deferred revenue	0	0	0	0
<b>Total Liabilities</b>	<u>41,767</u>	<u>86,280</u>	<u>63,860</u>	<u>12,700</u>
<b>Fund Balances (Deficit):</b>				
Reserved for inventory	0	0	0	0
Unreserved and undesignated	0	0	0	0
<b>Total Fund Balances (Deficit)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL LIABILITIES AND FUND BALANCES (Deficit)</b>	<u>\$ 41,767</u>	<u>\$ 86,280</u>	<u>\$ 63,860</u>	<u>\$ 12,700</u>



Exhibit 1

TITLE II	PRESCHOOL	ADULT AND VOCATIONAL EDUCATION	CHILDSEARCH	CONSOLIDATED SALES TAX EXPENSE	SPECIAL SALES TAX
\$ 0	\$ 2,637	\$ 24,435	\$ 896	\$ 8,556	\$ 544,118
0	0	0	0	21,003	185,549
0	18,310	6,611	4,248	104	180,978
0	0	16,673	0	0	66,109
0	0	0	0	0	0
0	20,947	47,719	5,144	29,663	976,754
0	8,756	13,746	144	28,189	7,897
0	12,191	21,500	5,000	2,839	167
0	0	12,473	0	0	0
0	20,947	47,719	5,144	31,028	8,064
0	0	0	0	0	0
0	0	0	0	(1,365)	968,690
0	0	0	0	(1,365)	968,690
\$ 0	\$ 20,947	\$ 47,719	\$ 5,144	\$ 29,663	\$ 976,754

(CONTINUED)

**BIENVILLE PARISH SCHOOL BOARD**

**SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2001**

	<u>EMPLOYEE BENEFITS</u>	<u>REPAIR AND UPKEEP</u>	<u>MEDICAID</u>	<u>SPECIAL OLYMPICS</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 36,624	\$ 1,009,791	\$ 10,265	\$ 0
Investments	349,737	253,349	0	0
Receivables	0	0	0	0
Interfund receivables	0	0	8	0
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<u>386,361</u>	<u>1,263,140</u>	<u>10,273</u>	<u>0</u>
<b>LIABILITIES AND FUND BALANCES (Deficit)</b>				
<b>Liabilities</b>				
Accounts, salaries and other payables	214,057	29,838	2,141	0
Interfund payables	0	10,291	0	0
Deferred revenue	0	0	0	0
<b>Total Liabilities</b>	<u>214,057</u>	<u>40,129</u>	<u>2,141</u>	<u>0</u>
<b>Fund Balances (Deficit):</b>				
Reserved for inventory	0	0	0	0
Unreserved and undesignated	172,304	1,223,011	8,132	0
<b>Total Fund Balances (Deficit)</b>	<u>172,304</u>	<u>1,223,011</u>	<u>8,132</u>	<u>0</u>
<b>TOTAL LIABILITIES AND FUND BALANCES (Deficit)</b>	<u>\$ 386,361</u>	<u>\$ 1,263,140</u>	<u>\$ 10,273</u>	<u>\$ 0</u>

Exhibit 1

SCHOOL FOOD SERVICE	GIBSLAND YOUTH ENRICHMENT PROGRAM	CASTOR TORNADO DAMAGE	TOTAL
\$ 115,100	\$ 0	\$ 9,350	\$ 1,848,839
968,327	0	0	1,777,965
0	0	348	328,139
0	0	0	82,790
20,659	0	0	20,659
<u>1,104,086</u>	<u>0</u>	<u>9,698</u>	<u>4,058,392</u>
6,663	0	0	405,098
0	0	175,586	338,514
20,515	0	0	32,988
<u>27,178</u>	<u>0</u>	<u>175,586</u>	<u>776,600</u>
144	0	0	144
1,076,764	0	(165,888)	3,281,648
<u>1,076,908</u>	<u>0</u>	<u>(165,888)</u>	<u>3,281,792</u>
\$ 1,104,086	\$ 0	\$ 9,698	\$ 4,058,392

(CONCLUDED)

**BIENVILLE PARISH SCHOOL BOARD**

**SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances (Deficit)**  
**For the Year Ended June 30, 2001**

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>SPECIAL EDUCATION</u>	<u>TITLE IV</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad Valorem	\$ 0	\$ 0	\$ 0	0
Sales and use	0	0	0	0
Interest earnings	0	0	0	0
Food services	0	0	0	0
Other	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	0	0	9,118	0
Federal sources	<u>771,455</u>	<u>154,745</u>	<u>221,531</u>	<u>14,168</u>
 Total Revenues	 <u>771,455</u>	 <u>154,745</u>	 <u>230,649</u>	 <u>14,168</u>
 <b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	0	126,298	0	0
Special programs	0	0	228,668	0
Other instructional programs	683,243	0	0	0
Support services:				
Student services	0	28,447	0	13,067
Instructional staff support	60,197	0	0	0
General administration	22,550	0	0	1,101
School administration	0	0	0	0
Business services	5,465	0	0	0
Plant services	0	0	0	0
Student transportation services	0	0	0	0
Central services	0	0	1,981	0
Food services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>771,455</u>	 <u>154,745</u>	 <u>230,649</u>	 <u>14,168</u>
 <b>EXCESS (Deficiency) OF REVENUES</b>				
<b>OVER EXPENDITURES</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

Exhibit 2

TITLE II	PRESCHOOL	ADULT AND VOCATIONAL EDUCATION	CHILDSEARCH	CONSOLIDATED SALES TAX EXPENSE	SPECIAL SALES TAX
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	1,654,486
0	0	0	0	1,603	18,493
0	0	0	0	0	0
0	0	0	0	90,015	0
0	0	0	0	0	0
0	0	0	4,248	0	0
0	37,343	24,091	0	0	0
0	37,343	24,091	4,248	91,618	1,672,979
0	0	0	0	0	11,640
0	36,411	0	4,248	0	0
0	0	23,461	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
480	932	630	0	96,092	20,107
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	691,921
0	0	0	0	0	42,500
0	0	0	0	0	150,318
0	0	0	0	0	0
480	37,343	24,091	4,248	96,092	916,486
\$ (480)	\$ 0	\$ 0	\$ 0	\$ (4,474)	\$ 756,493

(CONTINUED)



**BIENVILLE PARISH SCHOOL BOARD**

**SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances (Deficit)**  
**For the Year Ended June 30, 2001**

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>SPECIAL EDUCATION</u>	<u>TITLE IV</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers out	\$ 0	\$ 0	\$ 0	\$ 0
Total other financing sources (uses)	0	0	0	0
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	0	0	0
FUND BALANCES AT BEGINNING OF YEAR	0	0	0	0
FUND BALANCES (Deficit) AT END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0

Exhibit 2

TITLE II	PRESCHOOL	ADULT AND VOCATIONAL EDUCATION	CHILDSEARCH	CONSOLIDATED SALES EXPENSE	SPECIAL SALES TAX
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
(480)	0	0	0	(4,474)	756,493
480	0	0	0	3,109	212,197
\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,365)	\$ 968,690

(CONTINUED)

**BIENVILLE PARISH SCHOOL BOARD**

**SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances (Deficit)**  
**For the Year Ended June 30, 2001**

	<u>EMPLOYEE BENEFITS</u>	<u>REPAIR AND UPKEEP</u>	<u>MEDICAID</u>	<u>SPECIAL OLYMPICS</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad Valorem	\$ 1,255,227	\$ 871,875	\$ 0	\$ 0
Sales and use	0	0	0	0
Interest earnings	45,631	74,759	0	0
Food services	0	0	0	0
Other	0	0	0	405
State sources:				
Equalization	0	0	0	0
Other	0	47,448	4,916	0
Federal sources	0	0	0	0
<b>Total Revenues</b>	<u>1,300,858</u>	<u>994,082</u>	<u>4,916</u>	<u>405</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	926,091	140,191	0	0
Special programs	195,673	0	2,812	0
Other instructional programs	76,618	0	0	0
Support services:				
Student services	18,597	0	0	0
Instructional staff support	49,571	0	0	0
General administration	145,092	27,908	0	0
School administration	155,659	6,000	0	0
Business services	9,522	0	0	0
Plant services	64,371	618,693	0	0
Student transportation services	222,227	0	0	0
Central services	173,475	0	0	0
Food services	0	0	0	0
<b>Total Expenditures</b>	<u>2,036,896</u>	<u>792,792</u>	<u>2,812</u>	<u>0</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (736,038)</u>	<u>\$ 201,290</u>	<u>\$ 2,104</u>	<u>\$ 405</u>

Exhibit 2

SCHOOL FOOD SERVICE	GIBSLAND YOUTH ENRICHMENT PROGRAM	CASTOR TORNADO DAMAGE	TOTAL
\$ 0	\$ 0	\$ 0	\$ 2,127,102
0	0	0	1,654,486
55,549	0	1,962	197,997
141,902	0	0	141,902
58	0	439,592	530,070
271,130	0	0	271,130
0	0	102,953	168,683
793,700	0	0	2,017,033
1,262,339	0	544,507	7,108,403
0	0	0	1,204,220
0	0	0	467,812
0	0	0	783,322
0	0	0	60,111
0	0	0	109,768
0	0	0	314,892
0	0	0	161,659
0	0	0	14,987
0	0	800,509	2,175,494
0	0	0	264,727
0	0	0	325,774
1,344,844	0	0	1,344,844
1,344,844	0	800,509	7,227,610
\$ (82,505)	\$ 0	\$ (256,002)	\$ (119,207)

(CONTINUED)



**BIENVILLE PARISH SCHOOL BOARD**

**SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances (Deficit)**  
**For the Year Ended June 30, 2001**

	<u>EMPLOYEE BENEFITS</u>	<u>REPAIR AND UPKEEP</u>	<u>MEDICAID</u>	<u>SPECIAL OLYMPICS</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers out	\$ 0	\$ 0	\$ 0	\$ 0
Total other financing sources (uses)	0	0	0	0
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(736,038)	201,290	2,104	405
FUND BALANCES AT BEGINNING OF YEAR	908,342	1,021,721	6,028	(405)
FUND BALANCES (Deficit) AT END OF YEAR	\$ 172,304	\$ 1,223,011	\$ 8,132	\$ 0

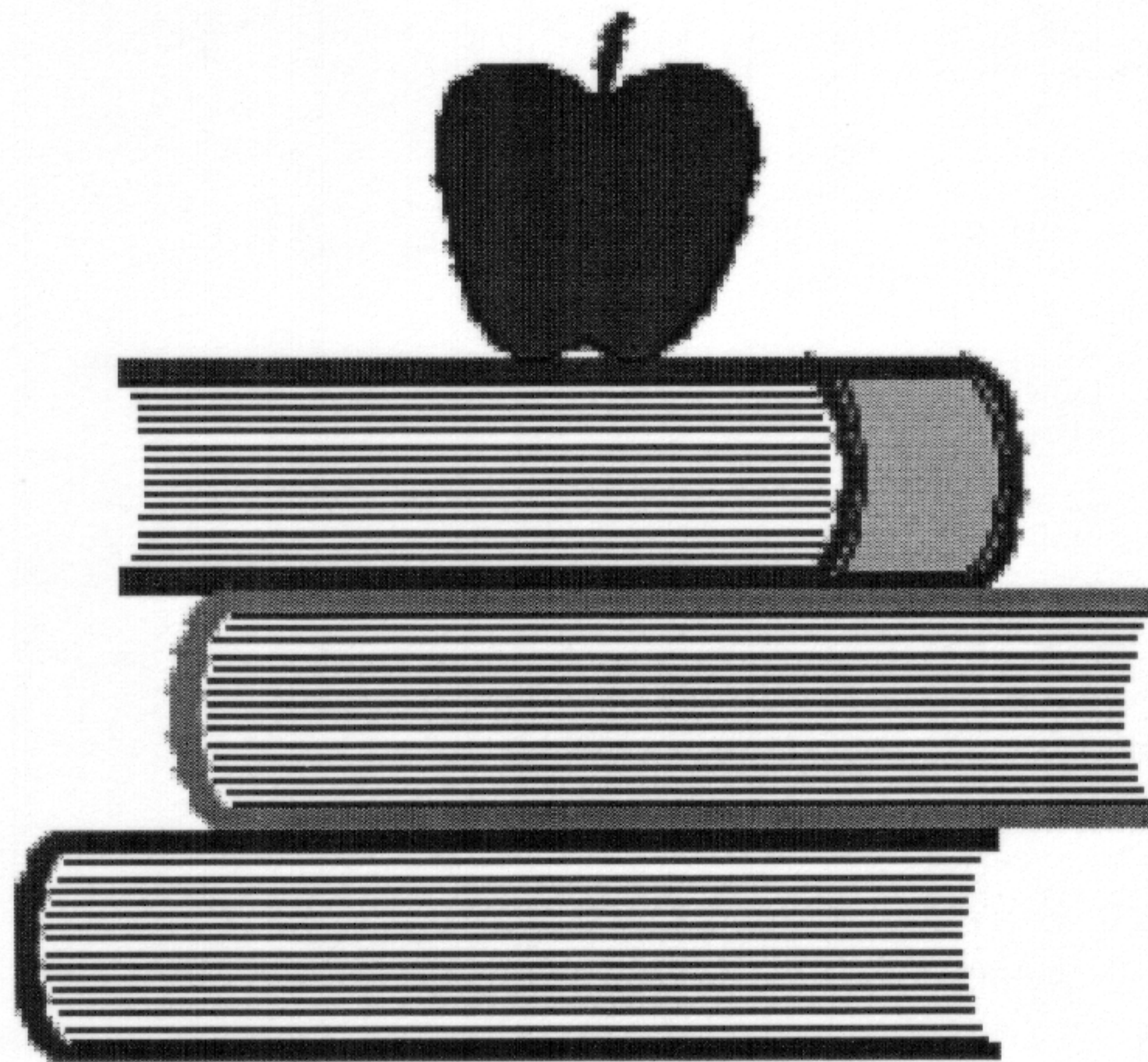
Exhibit 2

SCHOOL FOOD SERVICE	GIBSLAND YOUTH ENRICHMENT PROGRAM	CASTOR TORNADO DAMAGE	TOTAL
\$ 0	\$ (2,227)	\$ 0	\$ (2,227)
0	(2,227)	0	(2,227)
(82,505)	(2,227)	(256,002)	(121,434)
1,159,413	2,227	90,114	3,403,226
\$ 1,076,908	\$ 0	\$ (165,888)	\$ 3,281,792

(CONCLUDED)



**Bienville Parish School Board**





**Bienville Parish School Board  
Debt Service Funds**

School District #1  
School District #2  
School District #4 and 5  
School District #16  
School District #16-37  
School District #28  
School District #33

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire lands for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the territorial boundaries of the respective wards.



**BIENVILLE PARISH SCHOOL BOARD**

**DEBT SERVICE FUNDS  
Combining Balance Sheet  
June 30, 2001**

	<u>DISTRICT #1</u>	<u>DISTRICT #2</u>	<u>DISTRICT #4 &amp; 5</u>	<u>DISTRICT #16</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 578	\$ 2,014	\$ 28,508	\$ 3,801
Investments	<u>20,405</u>	<u>293,894</u>	<u>185,821</u>	<u>34,146</u>
<b>TOTAL ASSETS</b>	<u>20,983</u>	<u>295,908</u>	<u>214,329</u>	<u>37,947</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Interfund payables	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total liabilities</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund balances</b>				
Reserved for debt service	<u>20,983</u>	<u>295,908</u>	<u>214,329</u>	<u>37,947</u>
<b>Total fund balances</b>	<u>20,983</u>	<u>295,908</u>	<u>214,329</u>	<u>37,947</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 20,983</u>	<u>\$ 295,908</u>	<u>\$ 214,329</u>	<u>\$ 37,947</u>

Exhibit 3

<u>DISTRICT #16-37</u>	<u>DISTRICT #28</u>	<u>DISTRICT #33</u>	<u>TOTAL</u>
\$ 4,140	\$ 5,010	\$ 2,926	\$ 46,977
<u>86,401</u>	<u>116,639</u>	<u>307,392</u>	<u>1,044,698</u>
<u>90,541</u>	<u>121,649</u>	<u>310,318</u>	<u>1,091,675</u>
<u>0</u>	<u>0</u>	<u>11,325</u>	<u>11,325</u>
<u>0</u>	<u>0</u>	<u>11,325</u>	<u>11,325</u>
<u>90,541</u>	<u>121,649</u>	<u>298,993</u>	<u>1,080,350</u>
<u>90,541</u>	<u>121,649</u>	<u>298,993</u>	<u>1,080,350</u>
<u>\$ 90,541</u>	<u>\$ 121,649</u>	<u>\$ 310,318</u>	<u>\$ 1,091,675</u>

**BIENVILLE PARISH SCHOOL BOARD**

**DEBT SERVICE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes In Fund Balances**  
**For the Year Ended June 30, 2001**

	<u>DISTRICT #1</u>	<u>DISTRICT #2</u>	<u>DISTRICT #4 &amp; 5</u>	<u>DISTRICT #16</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 152	\$ 243,623	\$ 241,299	\$ 13,073
Interest earnings	<u>1,414</u>	<u>16,453</u>	<u>19,162</u>	<u>1,492</u>
 Total Revenues	 <u>1,566</u>	 <u>260,076</u>	 <u>260,461</u>	 <u>14,565</u>
 <b>EXPENDITURES</b>				
Current:				
Support services:				
General administration	0	7,547	8,324	419
Debt Service:				
Principal retirement	0	135,000	235,000	5,000
Interest and bank charges	<u>0</u>	<u>128,611</u>	<u>30,191</u>	<u>1,028</u>
 Total Expenditures	 <u>0</u>	 <u>271,158</u>	 <u>273,515</u>	 <u>6,447</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 1,566	 (11,082)	 (13,054)	 8,118
 FUND BALANCES AT BEGINNING OF YEAR	 <u>19,417</u>	 <u>306,990</u>	 <u>227,383</u>	 <u>29,829</u>
 FUND BALANCES AT END OF YEAR	 <u>\$ 20,983</u>	 <u>\$ 295,908</u>	 <u>\$ 214,329</u>	 <u>\$ 37,947</u>

Exhibit 4

<u>DISTRICT #16-37</u>	<u>DISTRICT #28</u>	<u>DISTRICT #33</u>	<u>TOTAL</u>
\$ 157,172	\$ 119,979	\$ 262,124	\$ 1,037,422
5,247	8,400	18,839	71,007
<u>162,419</u>	<u>128,379</u>	<u>280,963</u>	<u>1,108,429</u>
4,761	3,831	8,815	33,697
95,000	125,000	175,000	770,000
52,161	18,895	126,582	357,468
<u>151,922</u>	<u>147,726</u>	<u>310,397</u>	<u>1,161,165</u>
10,497	(19,347)	(29,434)	(52,736)
<u>80,044</u>	<u>140,996</u>	<u>328,427</u>	<u>1,133,086</u>
<u>\$ 90,541</u>	<u>\$ 121,649</u>	<u>\$ 298,993</u>	<u>\$ 1,080,350</u>



**Bienville Parish School Board  
Capital Projects Funds**

**Consolidated School District #1 Sales Tax** This fund is used to account for financial resources to be used to acquire, construct, or improve facilities within School District #1.

**School District #2 Building Fund** This fund is used to account for financial resources to be used to acquire, construct, or improve facilities within School District #2.

**School District #33 Building Fund** This fund is used to account for financial resources to be used to acquire, construct, or improve facilities within School District #33.

**BIENVILLE PARISH SCHOOL BOARD**

**CAPITAL PROJECTS FUNDS  
Combining Balance Sheet  
June 30, 2001**

**Exhibit 5**

	<u>CONSOLIDATED SCHOOL DISTRICT #1 SALES TAX</u>	<u>SCHOOL DISTRICT #2 BUILDING FUND</u>	<u>SCHOOL DISTRICT #33 BUILDING FUND</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,879	\$ 3,457	\$ 7,117	\$ 12,453
Investments	<u>807</u>	<u>297,413</u>	<u>268,499</u>	<u>566,719</u>
<b>TOTAL ASSETS</b>	<u>2,686</u>	<u>300,870</u>	<u>275,616</u>	<u>579,172</u>
<b>LIABILITIES AND FUND BALANCES (Deficit)</b>				
<b>Liabilities</b>				
Accounts, salaries and other payables	10,148	0	0	10,148
Interfund payable	<u>0</u>	<u>197</u>	<u>0</u>	<u>197</u>
<b>Total liabilities</b>	10,148	197	0	10,345
<b>Fund balances (Deficit):</b>				
Undesignated	<u>(7,462)</u>	<u>300,673</u>	<u>275,616</u>	<u>568,827</u>
<b>TOTAL LIABILITIES AND FUND BALANCES (Deficit)</b>	<u>\$ 2,686</u>	<u>\$ 300,870</u>	<u>\$ 275,616</u>	<u>\$ 579,172</u>

**BIENVILLE PARISH SCHOOL BOARD**

**CAPITAL PROJECTS FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes In Fund Balances (Deficit)**  
**For the Year Ended June 30, 2001**

**Exhibit 6**

	<b>CONSOLIDATED SCHOOL DISTRICT #1 SALES TAX</b>	<b>SCHOOL DISTRICT #2 BUILDING FUND</b>	<b>SCHOOL DISTRICT #33 BUILDING FUND</b>	<b>TOTAL</b>
<b>REVENUES</b>				
Local sources:				
Interest earnings	\$ 881	\$ 17,043	\$ 19,166	\$ 37,090
 Total Revenues	 881	 17,043	 19,166	 37,090
 <b>EXPENDITURES</b>				
Support services:				
Plant services	0	0	0	0
Facilities acquisition and construction	29,155	9,085	0	38,240
 Total Expenditures	 29,155	 9,085	 0	 38,240
 <b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	 (28,274)	 7,958	 19,166	 (1,150)
 <b>FUND BALANCES AT BEGINNING OF YEAR</b>	 20,812	 292,715	 256,450	 569,977
 <b>FUND BALANCES (Deficit) AT END OF YEAR</b>	 \$ (7,462)	 \$ 300,673	 \$ 275,616	 \$ 568,827

**Bienville Parish School Board  
Agency Funds**

**SCHOOL ACTIVITIES AGENCY FUND** The activities of the various individual school accounts are accounted for in the school activities agencies fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

**SALES TAX AGENCY FUND** The sales tax agency fund accounts for the collection and distribution of sales taxes by the sales tax department of the Bienville Parish School Board on behalf of the seven taxing authorities located within Bienville Parish.



**BIENVILLE PARISH SCHOOL BOARD**

**AGENCY FUNDS**  
**Combining Schedule of Assets and Liabilities**  
**June 30, 2001**

**Exhibit 7**

	<u>SCHOOL ACTIVITIES AGENCY FUND</u>	<u>SALES TAX AGENCY FUND</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ <u>194,136</u>	\$ <u>6,237</u>	\$ <u>200,373</u>
<b>Total Assets</b>	<u>194,136</u>	<u>6,237</u>	<u>200,373</u>
 <b>LIABILITIES</b>			
Deposits due others	<u>194,136</u>	<u>6,237</u>	<u>200,373</u>
<b>Total Liabilities</b>	<u>\$ 194,136</u>	<u>\$ 6,237</u>	<u>\$ 200,373</u>

**BIENVILLE PARISH SCHOOL BOARD**

**AGENCY FUNDS**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended June 30, 2001**

**Exhibit 8**

	<u>Balance July 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2001</u>
<b>*****SCHOOL ACTIVITIES AGENCY FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 207,328	551,622	564,814	\$ 194,136
<b>LIABILITIES</b>				
Deposits due others	207,328	551,622	564,814	194,136
<b>*****SALES TAX AGENCY FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	1,479	6,303,351	6,298,593	6,237
<b>LIABILITIES</b>				
Deposits due others	1,479	6,303,351	6,298,593	6,237
<b>*****TOTAL AGENCY FUNDS*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	208,807	6,854,973	6,863,407	200,373
<b>LIABILITIES</b>				
Deposits due others	\$ 208,807	6,854,973	6,863,407	\$ 200,373

**BIENVILLE PARISH SCHOOL BOARD**  
**SCHOOL ACTIVITIES AGENCY FUND**  
**Schedule of Changes in Deposits Due Others**  
**For the Year Ended June 30, 2001**

**Exhibit 9**

SCHOOL	Balance, Beginning	Additions	Deductions	Balance, Ending
Arcadia High School	\$ 14,713	\$ 87,430	\$ 90,326	\$ 11,817
Bienville High School	15,658	39,151	42,565	12,244
Castor High School	64,387	137,002	136,678	64,711
Crawford Elementary School	8,704	22,345	20,526	10,523
Gibbsland-Coleman High School	33,761	72,924	77,182	29,503
Ringgold Elementary School	18,194	53,740	45,547	26,387
Ringgold High School	23,782	67,454	79,162	12,074
Saline High School	<u>28,129</u>	<u>71,576</u>	<u>72,828</u>	<u>26,877</u>
Total	<u>\$ 207,328</u>	<u>\$ 551,622</u>	<u>\$ 564,814</u>	<u>\$ 194,136</u>

**BIENVILLE PARISH SCHOOL BOARD**  
**SALES TAX AGENCY FUND**  
**Schedule of Changes in Deposits Due Others**  
**For the Year Ended June 30, 2001**

**Exhibit 10**

DEPOSIT BALANCE AT BEGINNING OF YEAR	\$ <u>1,479</u>
ADDITIONS	
Sales tax collections	<u>6,303,351</u>
DEDUCTIONS	
Payments to:	
Bienville Parish School Board	3,257,917
Bienville Parish Police Jury	1,628,907
Town of Arcadia	956,929
Town of Gibsland	58,294
Town of Ringgold	236,804
Village of Castor	16,219
Fees for audit of sales tax vendors	73,610
Other expenses	<u>69,913</u>
Total deductions	<u>6,298,593</u>
DEPOSIT BALANCE AT END OF YEAR	\$ <u>6,237</u>



**Bienville Parish School Board  
General**

**Schedule of Compensation Paid Board Members  
For the Year Ended June 30, 2001**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$600 per month, members of the executive committee receive an additional \$50 per month and the president receives an additional \$100 per month for performing the duties of his office.

<u>Board Member</u>	<u>Amount</u>
Talton Barron, President	\$ 8,100
Johnnie Thomas	7,800
Kenneth Larry Knotts	7,500
Dan Loe	7,500
Thomas Madden	7,500
Bonita Reliford	7,500
Esther Sullivan	<u>7,500</u>
TOTAL	<u>\$53,400</u>



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1963 - 2000

## **Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

### **Board Members**

**Bienville Parish School Board**

**Arcadia, Louisiana**

We have audited the financial statements of the Bienville Parish School Board as of and for the year ended June 30, 2001, and have issued our report thereon dated December 7, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America.

### **Compliance**

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying Schedule of Findings and Questioned Costs as items 01-F1, 01-F2, 01-F3, 01-F4, and 01-F5.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition as identified as item 01-F1 in the Schedule of Findings and Questioned Costs. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are considered to be material weaknesses. However, we do not believe the reportable condition described above is a material weakness.

Management Letter Items

We noted one other matter involving the internal control over financial reporting which we have reported to management of the School Board in a separate letter dated December 7, 2001, included later in this report.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Allen, Green & Company, LLP*

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana

December 7, 2001





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## **Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular No. A-133**

Board Members  
Bienville Parish School Board  
Arcadia, Louisiana

### **Compliance**

We have audited the compliance of the Bienville Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular No. A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2001. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular No. A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

### **Internal Control Over Compliance**

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular No. A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.



This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Allen, Green & Company, LLP*

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana  
December 7, 2001

**Bienville Parish School Board**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2001**

<b>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME</b>	<b>CFDA Number</b>	<b>Pass Through Grantor No.</b>	<b><u>Expenditures</u></b>
<b>CASH FEDERAL AWARDS</b>			
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
National School Lunch Program	10.555	N/A	\$ 557,446
School Breakfast Program	10.553	N/A	<u>184,605</u>
Total United States Department of Agriculture			<u>742,051</u>
United States Department of Education			
Passed Through Louisiana Department of Education:			
Adult Education - State Grant Program	84.002	N/A	23,917
Title I	84.010	01-IASA-07-I	771,455
Special Education:			
Grants to States (Part B)	84.027	01IB07	221,531
Preschool Grants	84.173	01IP07	37,343
Vocational Education:			
Basic Grants to States	84.048	28-01-07-2B/BG	174
Title VI	84.298	01-IASA-07-VI	28,447
Title IV	84.186	01-IASA-07-IV	14,168
Class Size Reduction	84.340	01-01-07	<u>126,298</u>
Total United States Department of Education			<u>1,223,333</u>
<b>TOTAL CASH FEDERAL AWARDS</b>			<b>1,965,384</b>
<b>NONCASH FEDERAL AWARDS</b>			
United States Department of Agriculture			
Passed Through Louisiana Department of Agriculture and Forestry:			
Food Distribution Program (Commodities)	10.550	N/A	<u>51,649</u>
<b>TOTAL FEDERAL AWARDS</b>			<b><u>\$2,017,033</u></b>

**Bienville Parish School Board**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2001**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Bienville Parish School Board, Arcadia, Louisiana. The Bienville Parish School Board (the "School Board") reporting entity is defined in Note 1 to the School Board's general-purpose financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

**NOTE 2 - BASIS OF ACCOUNTING** The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's general-purpose financial statements.

**NOTE 3 - RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS** Federal awards revenues are reported in the School Board's general-purpose financial statements as follows:

	<u>Federal Sources</u>
Special revenue funds:	
Title I	\$ 771,455
Title VI	154,745
Special Education	221,531
Title IV	14,168
Preschool	37,343
Adult and Vocational Education	24,091
School Food Service	<u>793,700</u>
Total	<u><u>\$2,017,033</u></u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

**NOTE 5 - MATCHING REVENUES** For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**NOTE 6 - NONCASH PROGRAMS** The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**Bienville Parish School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2001**

**PART I - Summary of the Auditors' Results**

**Financial Statement Audit**

- i. The type of audit report issued was unqualified.
- ii. There was a reportable condition required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.

The reportable condition disclosed was not considered a material weakness as defined by the Government Auditing Standards.

- iii. There were several instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

**Audit of Federal Awards**

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).

- vii. The major federal programs are:

CFDA #84.010      Title I

Special Education:

CFDA #84.027      Grants to States (Part B)  
CFDA #84.173      Preschool Grants

- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular No. A-133, Section .530.



**Bienville Parish School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2001**

**PART II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:**

**Reference # and title:**                **01-F1**                **Fixed Assets**

**Entity-wide or program/department specific:** This finding is entity-wide.

**Criteria or specific requirement:** In accordance with LSA-R.S. 24:515(B)(1), the head of every auditee subject to audit shall maintain records of all land, buildings, improvements other than buildings, equipment and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable. Good internal control also requires a complete and accurate listing.

**Condition found:** The School Board hired an outside entity to perform a physical inventory and compile a fixed asset listing. The listing was said to be current as of December 4, 2000. The following observations were made:

- A. Items Purchased Prior to the Physical Inventory Date Could Not Be Located on the Inventory Listing** During the test of additions, the audit staff was informed that the physical inventory taken by the outside entity included all items purchased prior to December 4, 2000. Two of the items tested preceded this date but could not be located on the inventory listing. One item was a bus and the other item was a security system at the local high school.
- B. No Updates to the Additions Listing Since the Physical Inventory Date** There were purchases made throughout the fiscal year which should have been added to the fixed asset listing report. A folder containing the supporting documentation for the additions was viewed by the auditor, but none of the information has been forwarded to the valuation group for an update.
- C. Deletions Not Reflected in Fixed Asset Listing** The auditors were told that there were no deletions from the fixed asset listing; however, during the test for unrecorded receivables a review of the cash receipts log showed checks for surplus items. Further inquiry revealed that these items were inventory and fixed asset items which had been listed as surplus and approved for disposal. One of the items listed was traced back to the fixed asset listing.
- D. Items on the Fixed Asset Listing Could Not be Traced to the Location** Two schools were randomly selected to test the accuracy and completeness of the listing. The following were observed:

**Bienville High School** Five items randomly selected at the school could not be traced back to the fixed asset listing.

**Gibbsland Elementary** Two items on the fixed asset listing could not be located at the school. A further search revealed that the items were located at the Central Office for disposal. Authorization slips for disposal could be found for only one of the two computers. Two items randomly selected at the school could not be traced to the fixed asset listing.

**Possible asserted effect (cause and effect):**

**Cause:** The physical inventory included reassigning tag numbers for many of the fixed assets. The school records, in many cases, still reflect the old tag numbers. The vehicle valuation was obtained by reading the records for insurance. In the case of the newly-acquired bus, the information was not included in the insurance information. None of the newest acquisitions have been forwarded to the valuation company to update the fixed asset listing. It is unclear which of the inventory tag numbers was used to trace the items back to the inventory listing.

**Effect:** The School Board is not in compliance with LSA-R.S. 24:515(B)(1) which requires the School Board to maintain records of all land buildings, improvements other than buildings, equipment, and other general fixed assets. The situation creates a less than desired internal control.

**Bienville Parish School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2001**

**PART II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:**

**Recommendations to prevent future occurrences:** The School Board should act immediately to update their comprehensive fixed asset listing by location and continue to update it for additions and deletions in a timely manner.

**Reference # and title:**                      **01-F2**                      **Request of Funds Prior to Actual Expenditures**

**Entity-wide or program/department specific:** This finding is program-specific

**Criteria or specific requirement:** When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the federal government. When funds are advanced, recipients must follow procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and disbursement.

**Condition found:** The test of cash management revealed a request for reimbursement for \$110,752.82 dated January 6, 2001. Three items tested revealed payment was made after the request for reimbursement (payment date of January 25, 2001). The items tested totaled \$24,002.

**Possible asserted effect (cause and effect):**

**Cause:** The cause is unknown.

**Effect:** The School Board did not comply with the cash management requirements associated with federal funding.

**Recommendations to prevent future occurrences:** Prior to requesting reimbursement for expenditures, the program director should match the requests against the current expenditures to ensure the correct amounts for the request.

**Reference # and title:**                      **01-F3**                      **AFR Does Not Agree with General Ledger**

**Entity-wide or program/department specific:** This finding is entity-wide.

**Criteria or specific requirement:** LSA R.S. 17:92 requires the School Board to file an Annual Financial Report with the LDOE no later than September 30<sup>th</sup> each year. This report is the recap of the School Board's financial position at June 30<sup>th</sup> of each year and should accurately reflect the revenues and expenditures at that date.

**Condition found:** The General Fund portion of the Annual Financial Report does not agree with the General Fund amounts presented in the General Ledger. Both revenues and expenditures are understated on the report and there are two incorrect classifications of expenditures.

**Possible asserted effect (cause and effect):**

**Cause:** All journal entries are not made prior to the issuance of the AFR.

**Effect:** The data presented in the AFR is incomplete and inaccurate.

**Recommendations to prevent future occurrences:** All journal entries should be made prior to the completion of the Annual Financial Report.

**Bienville Parish School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2001**

**PART II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:**

**Reference # and title:**                      **01-F4**              **Unsecured Deposits**

**Entity-wide or program/department specific:** This finding is entity-wide.

**Criteria or specific requirement:** Louisiana Revised Statutes Title 39 - Public Finance - addresses collateralization requirements for public funds. Specifically, LSA-R.S. 39:1218 and LSA-R.S. 39:1225, require that fiscal agents of a depositing authority, such as the School Board, provide security at all times equal to one hundred percent of the amount of collected funds. The securities should be of the types outlined in LSA-R.S. 39:1221.

**Condition found:** At June 30, 2001, the School Board had \$5,781,564 on deposit with two depositories. FDIC covered \$100,000 of deposits at one depository and \$200,000 at the other depository. The banks had pledged collateral with a market value of \$4,363,450 at June 30, 2001. The remaining \$1,118,114 was uncollateralized.

**Possible asserted effect (cause and effect):**

**Cause:** The cause is unknown.

**Effect:** The School Board is in violation of state statute concerning pledged collateral.

**Recommendations to prevent future occurrences:** Pledged collateral should be monitored by the School Board to ensure all funds are collateralized in accordance with state statute.

**Reference # and title:**                      **01-F5**              **5% Budget Variances**

**Entity-wide or program/department specific:** This finding is specific to the special revenue funds - Title VI, Child Search, Consolidated Sales Tax Expense, and School Food Service.

**Criteria or specific requirement:** LSA-R.S. 39:1310 requires the chief executive or administrative officer to advise the governing authority or independently elected official in writing when total expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.

**Condition found:** The School Board had the following unfavorable budget variances for expenditures which exceeded 5%:

<u>Special Revenue Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Budget</u>
Title VI	\$ 142,291	\$ 154,745	\$ 12,454
Child Search	-	4,248	4,248
Consolidated Sales Tax Expense	89,984	96,092	6,108
School Food Service	1,197,212	1,344,844	147,632

**Proper perspective for judging the prevalence and consequences:** The School Board is required by state statute to adopt budgets for the general fund and all special revenue funds.



**Bienville Parish School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2001**

**PART II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:**

**Possible asserted effect (cause and effect):**

**Cause:** Unknown.

**Effect:** The School Board is in violation of LSA-R.S. 39:1310.

**Recommendations to prevent future occurrences:** The School Board should monitor expenditures and amend budgets as needed.



**Bienville Parish School Board  
Summary Schedule of Prior Audit Findings  
June 30, 2001**

**Finding reference # and title:**                      **00-F1**                      **Fixed Assets**

**Initially occurred:** Fiscal year ended June 30, 1998.

**Condition:** The School Board has a fixed asset listing that has not been updated since June 30, 1998. The listing does not include any additions or deletions for the current year.

**Corrective action taken:** See current-year finding 01-F1.

**Person responsible for corrective action:**

Connie Hampton, Business Manager	Telephone: (318) 263-9416
Bienville Parish School Board	Fax: (318) 263-3100
P. O. Box 418	
Arcadia, LA 71001-0418	

**Anticipated completion date:** By June 30, 2002.

**Finding reference # and title:**                      **00-F2**                      **5% Budget Variances**

**Initially occurred:** Fiscal year ended June 30, 2000.

**Condition:** The School Board had the following unfavorable budget variances for expenditures which exceeded 5%:

<u>Special Revenue Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Budget</u>
Capital project funds	\$ 21,002	\$ 621,357	\$600,355
Preschool	43,642	57,747	14,105
Medicaid	1,400	1,943	543
School food service	1,197,212	1,278,452	81,240

**Corrective action taken:** See current-year finding 01-F5.

**Person responsible for corrective action:**

Connie Hampton, Business Manager	Telephone: (318) 263-9416
Bienville Parish School Board	Fax: (318) 263-3100
P. O. Box 418	
Arcadia, LA 71001-0418	

**Finding reference # and title:**                      **00-F3**                      **Failure to Remit Contributions Timely**

**Initially occurred:** Fiscal year ended June 30, 2000.

**Condition:** At June 30, 2000, the School Board has a liability to teachers' retirement of approximately \$809,000, or four months of payroll withholdings.

**Corrective action taken:** Contributions are being made in a timely manner.

**Bienville Parish School Board  
Summary Schedule of Prior Audit Findings  
June 30, 2001**

**Person responsible for corrective action:**

Connie Hampton, Business Manager  
Bienville Parish School Board  
P. O. Box 418  
Arcadia, LA 71001-0418

Telephone: (318) 263-9416  
Fax: (318) 263-3100

**Finding reference # and title:**    **00-F4**        **Unsecured Deposits**

**Initially occurred:** Fiscal year ended June 30, 2000.

**Condition:** At June 30, 2000, the School Board had \$4,782,985 on deposit with several depositories. Of the bank balance, \$400,002 was covered by federal depository insurance and \$4,137,884 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name. The remaining \$245,099 of the School Board's deposits were uncollateralized.

**Corrective action taken:** See current-year finding 01-F4.

**Person responsible for corrective action:**

Connie Hampton, Business Manager  
Bienville Parish School Board  
P. O. Box 418  
Arcadia, LA 71001-0418

Telephone: (318) 263-9416  
Fax: (318) 263-3100

**Finding reference # and title:**    **00-F5**        **Inadequate Segregation of Duties**

**Initially occurred:** Fiscal year ended June 30, 2000.

**Condition:** Bookkeepers perform all functions of individual funds which include preparation of checks and journal entries to the general ledger as well as reconciliations of bank accounts. Several of the bookkeepers also have unsupervised access to the check-signing machine.

**Corrective action taken:** Business manager is reviewing all bank reconciliations. The key to the check-signing machine is kept by the business manager.

**Person responsible for corrective action:**

Connie Hampton, Business Manager  
Bienville Parish School Board  
P. O. Box 418  
Arcadia, LA 71001-0418

Telephone: (318) 263-9416  
Fax: (318) 263-3100

**Bienville Parish School Board**  
**Corrective Action Plan for Current-Year Findings and Questioned Costs**  
**June 30, 2001**

**Reference # and title:**                      **01-F1**                      **Fixed Assets**

**Condition:** The School Board hired an outside entity to perform a physical inventory and compile a fixed asset listing. The listing was said to be current as of December 4, 2000. The following observations were made:

- A. Items Purchased Prior to the Physical Inventory Date Could Not Be Located on the Inventory Listing** During the test of additions, the audit staff was informed that the physical inventory taken by the outside entity included all items purchased prior to December 4, 2000. Two of the items tested preceded this date but could not be located on the inventory listing. One item was a bus and the other item was a security system at the local high school.
- B. No Updates to the Additions Listing Since the Physical Inventory Date** There were purchases made throughout the fiscal year which should have been added to the fixed asset listing report. A folder containing the supporting documentation for the additions was viewed by the auditor, but none of the information has been forwarded to the valuation group for an update.
- C. Deletions Not Reflected in Fixed Asset Listing** The auditors were told that there were no deletions from the fixed asset listing; however, during the test for unrecorded receivables a review of the cash receipts log showed checks for surplus items. Further inquiry revealed that these items were inventory and fixed asset items which had been listed as surplus and approved for disposal. One of the items listed was traced back to the fixed asset listing.
- D. Items on the Fixed Asset Listing Could Not be Traced to the Location** Two schools were randomly selected to test the accuracy and completeness of the listing. The following were observed:

**Bienville High School** Five items randomly selected at the school could not be traced back to the fixed asset listing.

**Gibbsland Elementary** Two items on the fixed asset listing could not be located at the school. A further search revealed that the items were located at the Central Office for disposal. Authorization slips for disposal could be found for only one of the two computers. Two items randomly selected at the school could not be traced to the fixed asset listing.

**Corrective action planned:** Management has made improvements in the fixed assets area. However, much improvement is still to be made. The School Board is working to have someone in charge setup a system to keep up with fixed assets. The School Board has hired a firm to take the inventory which is in place. Inventory of property owned by the School Board has not been done. Every effort will be made to complete this task.

**Person responsible for corrective action:**

Connie Hampton, Business Manager  
Bienville Parish School Board  
P. O. Box 418  
Arcadia, Louisiana 71001-0418

Telephone: (318) 263-9416  
Fax: (318) 263-3100

**Anticipated completion date:** June 30, 2002.

**Reference # and title:**                      **01-F2**                      **Request of Funds Prior to Actual Expenditures**

**Condition:** The test of cash management revealed a request for reimbursement for \$110,752.82 dated January 6, 2001. Three items tested revealed payment was made after the request for reimbursement (payment date of January 25, 2001). The items tested totaled \$24,002.

**Corrective action planned:** Title I will borrow monies from General Fund to make payments to vendors prior to reimbursement. Management is making every effort to go to master bank as soon as possible. This will eliminate this problem.

**Bienville Parish School Board**  
**Corrective Action Plan for Current-Year Findings and Questioned Costs**  
**June 30, 2001**

**Person responsible for corrective action:**

Connie Hampton, Business Manager  
Bienville Parish School Board  
P. O. Box 418  
Arcadia, Louisiana 71001-0418

Telephone: (318) 263-9416  
Fax: (318) 263-3100

**Anticipated completion date:** June 30, 2002.

**Reference # and title:**                      **01-F3**                      **AFR Does Not Agree with General Ledger**

**Condition:** The General Fund portion of the Annual Financial Report does not agree with the General Fund amounts presented in the General Ledger. Both revenues and expenditures are understated on the report and there are two incorrect classifications of expenditures.

**Corrective action planned:** We will work to make sure that all entries are made before the AFR is completed.

**Person responsible for corrective action:**

Connie Hampton, Business Manager  
Bienville Parish School Board  
P. O. Box 418  
Arcadia, Louisiana 71001-0418

Telephone: (318) 263-9416  
Fax: (318) 263-3100

**Anticipated completion date:** June 30, 2002.

**Reference # and title:**                      **01-F4**                      **Unsecured Deposits**

**Condition:** At June 30, 2001, the School Board had \$5,781,564 on deposit with two depositories. FDIC covered \$100,000 of deposits at one depository and \$200,000 at the other depository. The banks had pledged collateral with a market value of \$4,363,450 at June 30, 2001. The remaining \$1,105,980 was uncollateralized.

**Corrective action planned:** We will work more closely with the banks to make sure this does not happen again.

**Person responsible for corrective action:**

Connie Hampton, Business Manager  
Bienville Parish School Board  
P. O. Box 418  
Arcadia, Louisiana 71001-0418

Telephone: (318) 263-9416  
Fax: (318) 263-3100

**Anticipated completion date:** June 30, 2002.





# ALLEN, GREEN & COMPANY, LLP

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1963 - 2000

## Management Letter

Board Members  
Bienville Parish School Board  
Arcadia, Louisiana

In planning and performing our audit of the general-purpose financial statements of the Bienville Parish School Board for the year ended June 30, 2001, we considered the School Board's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated December 7, 2001, on the financial statements of the School Board. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

### 01-M1 Impact of GASB Statement No. 34

**Comment:** The Governmental Accounting Standards Board (GASB), which determines the standards of financial reporting for governmental entities, recently released Statement No. 34 - *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. GASB's new reporting model will be mandatory for Louisiana School Boards for either the fiscal years ending June 30, 2002 or 2003. The amount of the School Board's revenues and other financing sources for the year ended June 30, 1999 will be the criteria for determining the year of required implementation. School Boards with annual revenues and other financing sources exceeding \$100,000,000 will be required to implement for the year ending June 30, 2002. They will allow smaller school districts an additional year. They allow earlier implementation.

This new reporting model will dramatically change several aspects of the financial reporting for the School Board. Three major changes are a part of this new model. First, the new reporting model will include the current set of financial statements with modifications and will add a new set of financial statements. The new set will be on the economic resources measurement focus and the full accrual basis of accounting, the same as exist today in the commercial environment. Allen, Green & Company believes, at this early stage, that the prudent approach is for the School Board to continue its current budget or modified accrual methodology for its books. Side adjustments will be made at year-end to convert the financial statements to the full accrual accounting method.

The single change that will probably pose the most challenge to the School Board may be accounting for general capital assets. Under the new reporting model, general capital assets (commonly referred to as fixed assets) will be accounted for in virtually the same manner as commercial entities. Assets will be capitalized, depreciated, and shown consolidated on the new Statement of Net Assets with the funds, rather than displayed separately in the fixed assets account group. The changes required by GASB Statement No. 34 will obviously require the School Board to place a greater emphasis on accounting for fixed assets than is required by the current model.

Another addition to the annual financial report will be the Management's Discussion and Analysis (MD&A). This document, which will be several pages in length, will be a narrative explanation of the major financial events/ changes during the fiscal year, what caused the events/changes, and project what the events/changes' effects will be on future years. It will also give the reader insight on management's decisions underlining the budget.

**Recommendation:** The School Board should plan for implementing GASB 34.

**Management's response:** Management is aware of the new standard and has already begun the change, contracting with a third party to conduct a complete inventory of capital assets. This inventory was recently taken. Management will continue the work needed for adoption of GASB 34 and believes the School Board will be ready by the required implementation date.

\* \* \* \* \*

Also included immediately following this letter is a Status of Prior Management Letter Items. This information has not been audited by Allen, Green & Company, LLP, and no opinion is expressed. However, we did follow up on prior management letter items and performed procedures to assess the reasonableness of the Status of Prior Management Letter Items prepared by the auditee, and we would report, as a current-year management letter item when Allen, Green & Company, LLP, concludes that the Status of Prior Management Letter Items materially misrepresents the status of any prior management letter item.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist. This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Allen, Green & Company, LLP*

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana  
December 7, 2001



**Bienville Parish School Board  
Status of Prior Management Letter Items  
June 30, 2001**

**00-M1 Student Activity Funds**

**Comment:** Uniform procedures and requirements for school activity funds accounting are described in the *School Activity Funds Accounting Auditing, and Financial Reporting* handbook issued by the Louisiana legislative auditor. The policies and controls adopted by the School Board concerning school activity funds should be based on the information provided in this manual.

As requested by the School Board, we reviewed five schools for compliance with the Handbook.

We noted the following:

1. Several instances where receipts could not be traced to teachers' logs or concession inventories.
2. Several instances where receipts were not deposited on a timely basis.
3. Several instances where no documentation was available to support charge.
4. Several instances where documentation was not canceled to prevent duplicate payment.
5. Several instances where invoices were not current when paid.

**Management action taken:** We have again engaged our external auditors to perform audit procedures at selected schools and to counsel school personnel on proper procedures for student activity funds.

**00-M2 Impact of GASB Statement No. 34**

**Comment:** The Governmental Accounting Standards Board (GASB), which determines the standards of financial reporting for governmental entities, recently released Statement No. 34 - *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. GASB's new reporting model will be mandatory for Louisiana School Boards for either the fiscal years ending June 30, 2002 or 2003. The amount of the School Board's revenues and other financing sources for the year ended June 30, 1999 will be the criteria for determining the year of required implementation. School Boards with annual revenues and other financing sources exceeding \$100,000,000 will be required to implement for the year ending June 30, 2002. They will allow smaller school districts an additional year. They allow earlier implementation.

This new reporting model will dramatically change several aspects of the financial reporting for the School Board. Three major changes are a part of this new model. First, the new reporting model will include the current set of financial statements with modifications and will add a new set of financial statements. The new set will be on the economic resources measurement focus and the full accrual basis of accounting, the same as exist today in the commercial environment. Allen, Green & Company believes, at this early stage, that the prudent approach is for the School Board to continue its current budget or modified accrual methodology for its books. Side adjustments will be made at year-end to convert the financial statements to the full accrual accounting method.

The single change that will probably pose the most challenge to the School Board may be accounting for general capital assets. Under the new reporting model, general capital assets will be accounted for in virtually the same manner as commercial entities. Assets will be capitalized, depreciated, and shown consolidated on the new Statement of Net Assets with the funds, rather than displayed separately in the fixed assets account group. The changes required by GASB Statement No. 34 will obviously require the School Board to place a greater emphasis on accounting for fixed assets than is required by the current model.

Another addition to the annual financial report will be the Management's Discussion and Analysis (MD&A). This document, which will be several pages in length, will be a narrative explanation of the major financial events/ changes during the fiscal year, what caused the events/changes, and project what the events/changes' effects will be on future years. It will also give the reader insight on management's decisions underlining the budget.

**Management action taken:** See response to current - year management letter 01-M1.